Section 1

Section 1 Introduction

HUD-50059 Information Packet Scope

The *HUD-50059 Information Packet*, commonly known as the *"Yellow Book,"* is intended to assist industry members[†] in the Housing tenant data collection effort of TRACS Release 1.1. (The core of TRACS release 1.1 is the TRACS voucher processing module.)

> **NOTE:** [†]Housing tenant data collection pertains to owners, management agents, and PHAs / State Housing Agencies acting as contract administrators. For simplification purposes, these participants are referred to as *industry* in this document.

This *Yellow Book* provides the following information to industry members:
- ▶ How to contact the TRACS Central Facility (TCPF)
- ▶ What TRACS is and how it became established
- ▶ Understanding the automation rule
- ▶ Understanding TRACS data collection and processing
- ▶ Becoming automated
- ▶ Correcting Monthly Activity Transmission (MAT) errors and TRACS discrepancies
- ▶ The *MAT User Guide*

The *MAT User Guide*, located at the back of this information packet, details the prescribed formats—MAT record layouts and field characteristics—for all TRACS data transmitted to and from HUD.

The Genesis of TRACS

TRACS is being developed to help provide financial controls over Section 8 and other assisted housing programs which have long been a source of concern among HUD staff, HUD's Inspector General, and members of Congress. HUD has reported this problem as a "material weakness" since 1983; TRACS is being created to help solve it.

The Secretary's Task Force on Program Financial Management convened in July 1989 to review all known HUD financial management problems—including those in rental assistance programs—and to develop action plans to resolve them. The Task Force recommended a major automation initiative to capture all rental assistance data and ensure the accuracy of subsidy payments. The Secretary adopted this recommendation and directed that HUD proceed with the project as the Department's highest automated data processing (ADP) priority.

Introducing TRACS

The automated system being developed as a result of the Secretary's Task Force on Program Financial Management is called **TRACS**, or the **T**enant **R**ental **A**ssistance **C**ertification **S**ystem.

TRACS is significantly improving financial management by automating manual procedures and incorporating the controls that HUD needs to bring financial integrity to its assisted housing programs.

When completed, TRACS will help ensure the accuracy of housing subsidy payments. Specifically, TRACS will enable HUD to:
- ▶ Automate and improve management of subsidy programs
- ▶ Reduce manual processes
- ▶ Make accurate budget forecasts
- ▶ Calculate and pay accurate subsidies
- ▶ Detect subsidy fraud, waste, and abuse

Housing Tenant Data Collection, the first release of TRACS, is referred to as Release 1.1. This is the first step in a major effort to automate the capture of all rental assistance data and ensure accuracy of subsidy payments.

The collection of data within this release incorporates three levels of activity:
- ▶ Transfer of reliable, certified, and automated tenant data from owners/management agents and State Agencies/PHAs to TRACS.
- ▶ Validation of the data received.
- ▶ Storage of the data in the TRACS database with the ability to retrieve and query information.

Introducing the TRACS Central Processing Facility

HUD has contracted with National Computer Systems (NCS), located in Iowa City, Iowa, to administer the TRACS Central Processing Facility (TCPF). The TCPF provides support to HUD and industry members by collecting the automated tenant data and transmitting it to TRACS for processing.

The TCPF Acts as a Collection Center

The TCPF acts as a collection center only; no processing is performed by the TCPF personnel on the transmitted data. Control procedures exist which ensure that accurate data is submitted to the TRACS database.

Although many industry participants electronically submit data directly to TRACS via electronic mail and a modem, industry participants not using a modem can send their automated data to the TCPF on diskette or magnetic tape.

After collecting the tape or disk information, the TCPF will then transmit it to TRACS for MAT processing.

The TCPF Assists Industry Participants

The TCPF can answer basic questions and provide technical assistance for industry participants. Industry participants can call toll free **1-800-767-7588** 7:00 am - 7:00 pm Central time, Monday - Friday.

Call the TCPF for:
- ▶ Assistance with MAT errors
- ▶ Data submission status
- ▶ Resubmission procedures
- ▶ PC SprintMail software distribution
- ▶ *Information Packet* distribution

Refer to the back of the inside front cover of this document for additional information on how to contact the TCPF.

Introducing the TRACS Bulletin Board System

TRACS has established an electronic bulletin board system (BBS) to facilitate the discussion of questions and issues, and to encourage the sharing of information between industry participants.

To access the TRACS bulletin board system, industry participants need to first logon to the main HUD bulletin board system by dialing **202-401-8676** via a modem. (The HUD Departmental BBS supports 2400 to 14,400 baud modems.) Once logged on the HUD BBS, users will be prompted for an access code. Entering the TRACS access code, **3RL45A1**, will enable industry participants to access the TRACS BBS.

More specific logon instructions are located in the HUD BBS on line User's Guide for TRACS. This on-line guide contains helpful information for new users once they logon to the BBS; the guide can also be printed out. This on-line information can be accessed by typing in 'G' when you are at the mail menu.

To obtain technical assistance on using the TRACS BBS, please contact the HUD BBS support desk at **800-492-6060**, from 7:00 am - 6:00 pm Eastern Time, Monday - Friday.

Brief Overview of the TRACS Automated Process

Automated tenant data submitted electronically to TRACS will be processed to determine if it meets all of the specifications set forth in the MAT User's Guide before it passes the tenant data to the TRACS system for further validation.

If the automated data does not pass the MAT format edit, a MAT error file is transmitted back to the Owner/Agent/PHA for resolution and resubmission.

Data that passes the MAT edits will then be processed by TRACS to determine if the data meets all of the certification rules found in the HUD 4350.3 Handbook.

Data that passes all TRACS edits is maintained in a tenant database at HUD. Data that does not pass the MAT or TRACS edits is identified with a discrepancy code/message and the discrepancy file is returned to the submitter via the electronic network.

Automated data submitted via diskette/magnetic media will be sent to the TRACS Central Processing Facility. The TCPF will electronically transmit all diskette/magnetic media automated files to HUD daily for processing.

The processing results will be transmitted back to the TCPF and the MAT/discrepancy file will be loaded back to the original media submission and returned to the Owner/Agent/PHA for resolution.

Submitting Tenant Data

The TRACS tenant data originates from information provided on the HUD-50059, associated worksheets, and on vouchers (form HUD-52670).

Rule Mandates Automation and Electronic Submission

An automation rule was published in the *Federal Register* in November 1993 and August 1994 requiring automation and electronic submission of tenant data to TRACS. All industry participants are now required to submit all data to HUD electronically via modem or on magnetic media (diskette or tape)—according to MAT specifications.

Refer to Section 2, Industry Participation: Understanding the Automation Rule for more information about this rule. Section 2 also outlines what programs are not covered by the rule, and which industry participants are permitted to use service bureaus.

Getting Started Submitting Data Electronically

In order to begin submission of automated data, participants will need to develop, obtain, or modify existing software to create MAT files and successfully transmit and receive electronic mail messages via a modem.

Contact the TCPF to receive *The PC SprintMail Electronic Information Packet*. This packet contains information regarding electronic submission of tenant certification data to HUD.

This *Electronic Information Packet* covers:
- Hardware requirements
- Configuration information
- Installation instructions
- Operating instructions for PC SprintMail

With this packet, you will receive:
- TRACS electronic mailbox ID
- Communications software
- A user's guide

Understanding Vendor Testing Procedures

The mailbox ID is required to allow the participants to transmit and receive automated data via a modem.

If you wish to test the MAT record format, your mailbox ID, or electronic submission procedures, please contact the TRACS Hotline for a test mailbox ID. The TCPF will assign a mailbox ID with a TRAC<u>V</u> prefix. This TRACV##### will be your SprintMail user name and will appear in the Sprint header only, in the "FROM" field.

The 50059 test data file should be transmitted to the TRACS.NCS mailbox for daily pickup. Data transmitted to TRACS.NCS with a TRACS##### in the "FROM" field will be processed as live production data and will be applied to the TRACS database.

All test data transmitted from a TRACV##### will be processed by the TRACS edit program to check the format of the data. You will receive in return the MAT and/or tenant errors from the edit process. If there are no errors encountered during the edit process, you will receive a return message (MATTR) indicating zero errors.

All questions concerning the testing process should be directed to the TRACS Hotline at **1-800-767-7588**.

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